

MEMORANDUM

TO: Libraries, Utilities & Seattle Center Committee Members

FROM: Ned Dunn, Seattle Center

DATE: June 1, 2012

RE: Bite of Seattle Agreement

This legislation authorizes a three-year agreement between the City of Seattle and Festivals, Inc. for the presentation of the 2012, 2013, and 2014 Bite of Seattle Festivals at Seattle Center.

The Bite of Seattle is one of three major festivals held annually on the Seattle Center campus, the other two being the Northwest Folklife Festival and Bumbershoot. Each major festival has its own unique relationship with the City. Bumbershoot is structured to cover Seattle Center's marginal costs. Folklife receives direct City support. The Bite of Seattle is the only purely commercial event of the three major festivals.

The 2012 Bite of Seattle will be held July 20-22. It will be the 31st annual Bite of Seattle and the 27th held at Seattle Center.

Seattle Center projects that net revenue from the Bite of Seattle in 2012-2014 will average approximately \$80,000 per year, excluding parking revenue. While Seattle Center parking revenue is not directly attributable to specific events, we do know that the Bite of Seattle produces on average between \$50,000 and \$75,000 in additional parking revenue compared to a regular summer weekend. Our agreement with the Bite also provides one booth for the exclusive use of Seattle Center to promote Seattle Center activities and events.

Consistent with previous Bite agreements, the City receives a percentage of all food, beverage and merchandise sales. The Bite pays a grounds restoration fee and reimburses the City for all applicable costs, including labor, utilities and fees. The Bite also pays the City a fee for the use of on-duty police officers at the event. This fee is tied to the Special Events rate schedule, and for 2012 the fee is \$34,367. In addition, the Bite hires off-duty police to carry out its approved security plan. Earlier festival closing times, implemented under previous agreements to improve crowd control, remain in effect under the new agreement.

The 2012-14 Bite of Seattle agreement includes few changes from the previous agreement. There are minor changes in financial terms regarding the percentage of food and beverage sales and vendor booth fees, the impact of which is expected to be a wash. Seattle Center has negotiated broader rights to enter into campuswide exclusive sponsorship agreements, as part of the Center's overall strategy to increase sponsorship revenue. As advised by the Law Department, based on recent judicial decisions, we are no longer including language requiring Festivals, Inc. to implement a policy prohibiting the possession of firearms at the Bite of Seattle.

The Bite of Seattle festival is a signature Seattle Center event which each year attracts one of the largest and most diverse audiences to Seattle Center to enjoy food from around the world. This agreement continues this long-standing tradition for the City.

cc: Robert Nellams, Director, Seattle Center Michele Scoleri, Mayor's Office Alex Bennett, Seattle Center Greg Shiring, City Budget Office